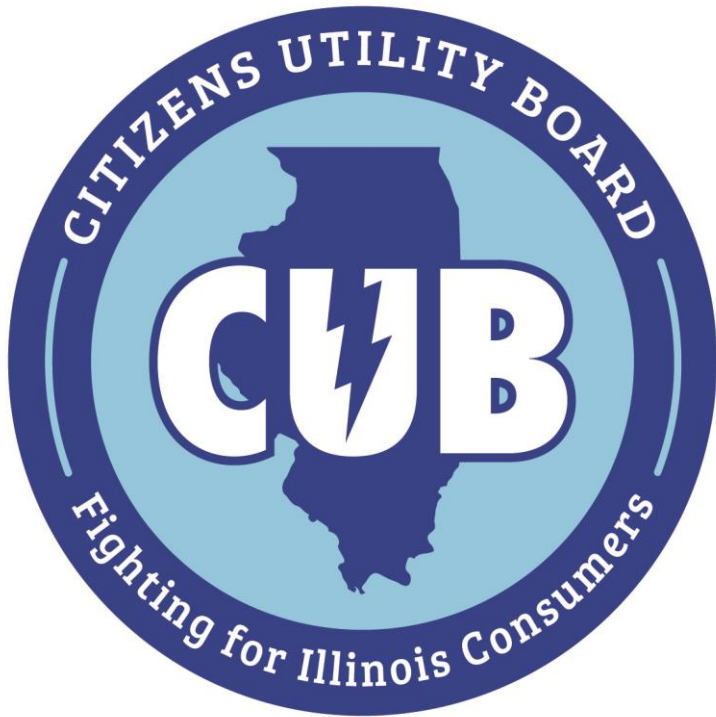


Illinois Commerce Commission Summer Preparedness Policy Session 2022



Potential Solutions to Mitigate Rising Energy Costs

Julie Soderna

General Counsel

Citizens Utility Board of Illinois

June 13, 2022

Pandemic Regulatory Measures

- * **Protections against disconnection**

- * ComEd, Ameren, Nicor Gas, Peoples Gas and North Shore Gas will not disconnect lower-income customers due to nonpayment, through July 31.
- * Specifically, this covers customers who in 2022 have applied for or are receiving benefits through the Low Income Home Energy Assistance Program (LIHEAP) or the Percentage of Income Payment Plan (PIPP).
- * Contact your utility to confirm eligibility.



Pandemic Regulatory Measures

Deferred Payment Arrangements

- * **ComEd:** LIHEAP or PIPP customers can get 12 months, with no down payment available through July 31. Must contact utility
 - * All other residential customers can sign up for a DPA of up to 12 months with 10% down until July 31. Must contact utility.
- * **Ameren:**
 - * LIHEAP or PIPP customers/applicants can get up to 18 months, with no down payment required until July 31. Must contact utility
 - * All other residential customers who contact Ameren can sign up for a DPA for up to 12 months with 10% down until July 31.
- * **Nicor:**
 - * Any residential customer can get an 18-month DPA with no down payment. Must contact utility
- * **Peoples Gas/North Shore Gas:**
 - * LIHEAP/PIPP customers or applicants can get an 18-month DPA with no down payment required through July 31. Must contact utility.
 - * All other residential customers may enroll in a 25% down, 18 month DPA through July 31, 2022.



New Financial Assistance

❖ Utility Disconnection Avoidance Program (UDAP)

- ❖ Under the UDAP, a LIHEAP / PIPP eligible customer who enrolled between July 1, 2020 and May 31, 2022 is eligible for between \$250 and up to \$5,000 in debt forgiveness for each utility (electric and gas), depending on their arrearage. The state is allocating around \$60 million to this program.
- ❖ LIHEAP customers will also receive, automatically, a supplemental LIHEAP grant this summer of around \$100 because of the extra LIHEAP dollars the state has, also due to federal assistance appropriations.



Summer Electric Supply Rates

- ❖ As of June 1st, electric supply has increased dramatically compared to last summer:
- ❖ **ComEd's** supply rate is **11.041 cents per kWh** (up 63% increase from 6.776 cents per kWh, last June) **Note:** The ComEd price increase is offset by a monthly credit made possible by the Climate & Equitable Jobs Act, or CEJA.
- ❖ **Ameren Illinois'** supply rate is **10.628 cents per kWh** (up 120% from 4.821 cents per kWh last June).



ComEd Summer Electric Supply Rates

- * ComEd's supply rate is approximately 60 percent higher than last June's price. However, a provision in CEJA mitigates the impact of this increase. CEJA calls for giving support to carbon-free nuclear power plants through a charge on electric bills—but that charge becomes a credit when wholesale energy prices are at a high level, as they are now.
- * The credit is roughly 3-4 cents per kilowatt-hour (kWh) over the next year. While the total amount of the credit depends on a customer's usage, estimates range from an average about \$18 per month to \$20 per month, from June 1, 2022 through May 31, 2023. The credit will be listed as a line-item on bills: the "Carbor Free Energy Resource Adjustment."



Ameren Summer Electric Supply Rates

The 120% increase in Ameren's default supply rate can be mitigated by engaging in energy efficiency. Ameren has several programs:

- * **Multi-Family Energy Efficiency Program**

Buildings with 3 or more residential units powered by Ameren are eligible for free energy-saving products, which may include LED lightbulbs, smart thermostats and more. This program is available to multi-family properties, regardless of the income of the owner or occupants.

- * **Income Qualified Home Savers Assessment Program (Single Family)**

Ameren customers who meet income requirements based on household size qualify for a free home energy audit, which may include free energy-saving measures such as the ones listed above.

- * **Rebates and Incentives**

Ameren provides rebates on some energy efficient equipment and appliances, such as smart thermostats (sign up to receive a \$100 coupon), heat pumps and air conditioners. You can receive instant in-store discounts on select Energy Star-certified LEDs and LED fixtures. Save on a variety of energy-efficient light bulbs at participating retail stores. No coupon is required—prices shown reflect the instant discount. Find energy efficient lighting near you [here](#).



Electric Delivery Rates

- ❖ **ComEd and Ameren each requested delivery rate increases under the formula rate structure:**

- ❖ ComEd - \$199 million
- ❖ Ameren - \$83 million

- ❖ **Energy Efficiency Rider increases:**

- ❖ ComEd - \$45,846,000
- ❖ Ameren - \$57,609,000

This is the last time delivery rates will be set according to the state's 2011 "Energy Infrastructure and Modernization Act," or the "smart-grid bill." That law uses a formula to determine ComEd rates annually to cover electric system upgrades. Next year, ComEd & Ameren may elect to file 4-year Multi-year Rate Plans, which would set rates for 2024-2028.



Gas Supply Rates

- * **Ameren Illinois** – 77.861¢ per therm (up about 19.21% from June 2021)
- * **Peoples Gas** – \$1.1773 per therm (up about 104%)
- * **Nicor Gas** – \$1.24 per therm (up about 133.96%)
- * **North Shore Gas** – \$1.0998 per therm (up about 132.76%)
- * **Consumers Gas** – 87.214¢ per therm (up about 103.03%)
- * **Illinois Gas** – 93.75¢ per therm (up about 265.21%)
- * **Liberty Utilities** – \$1.23 per therm (up about 99.53%)
- * **MidAmerican Energy** – \$1.063 per therm (up about 54.14%)
- * **Mt. Carmel** – 61.27¢ per therm (up about 89.6%)



Climate & Equitable Jobs Act (CEJA)

⌘ Cost-Saving Measures:

- ⌘ Expands low-cost clean energy
- ⌘ Extends electric energy efficiency programs
- ⌘ Requires utilities to pass through the savings from recent federal corporate tax cuts over the next few years
- ⌘ Creates a process for state regulators to consider a new low-income rate and prohibits late fees and customer deposits for lower-income customers.

⌘ **Promoting cleaner, more affordable transportation**

⌘ **Promoting clean, affordable energy**

⌘ **Making sure all Illinois benefits from clean energy**



What is community solar?

- ❖ A great program for people who can't put solar on their own homes
- ❖ Good for: renters, condos, shaded roofs, etc.
- ❖ Subscribe to a community solar project built anywhere in your utility territory. Community solar credits are applied only to the supply section of your bill. BUT - if the credit is worth more than the supply section of your bill, it will offset other sections of the bill
- ❖ Illinois Solar for All
 - ❖ A separate program for qualifying customers at or below 80% of Area Median Income, varies by household size & location. Requires companies to offer at least 50% savings. Calculated as 50% of the value of the energy generated by your subscription.



How Does Community Solar Save You \$\$\$?

Without Community Solar

Electric Bill

 SUPPLY	\$56
800 kWh x 0.07	\$56
 DELIVERY	\$45
TAXES & FEES	\$8
Total	\$109

Total Owed: \$109

With Community Solar

Electric Bill

 SUPPLY	\$6
800 kWh x 0.07	\$56
Solar Credits	
714 kWh x 0.07	-\$50
 DELIVERY	\$45
TAXES & FEES	\$8
Total	\$59

Total Owed: \$99
Total Savings: \$10

Solar Provider Bill

Solar Credits	\$50
20% Discount	-10
Total Due	\$40

**Note that this is an EXAMPLE
and savings will vary!**

Created by
Citizens Utility
Board



Community solar vs. “green plans”

- ❖ Alternate suppliers have offered “green plans” for a long time.
- ❖ With green plans, the alternative supplier purchases Renewable Energy Credits (RECs) to offset your electricity usage.
- ❖ RECs are generated any time renewable energy is produced - but are not always from newly built renewable energy. In fact, they’re often from cheap sources of legacy.
- ❖ Why is Community solar better?
 - ❖ All community solar projects are **new projects**
 - ❖ Community solar projects are **built in Illinois**
 - ❖ Community solar **saves you money!** Green plans overcharge you
 - ❖ Community solar plans are more **transparent** than green plans.



DYNAMIC RATES

Rates varies depending on the wholesale price of electricity, encouraging lower use during peak time, when demand is typically met with more polluting fuel sources.

Time-of-Use Rates

- ❖ ComEd' four-year time-of-use pilot program includes three pricing periods: Super Peak (2 p.m.-7 p.m.), Off Peak (10 p.m.-6 a.m.) and Peak (all other times), with prices lowest during the Off Peak and highest during Super Peak periods.
- ❖ Recent price spikes and increases in natural gas prices have caused the hourly prices to stay higher than they were at the start of the pilot, making it more difficult to save money
- ❖ As of April 4, 2022, the 102 low-income customers enrolled in Time-of-Day Pricing have cumulatively lost \$6,450.48 versus the fixed-price rate since the pilot launched in June 2020.



Real Time Pricing



- ❖ Hourly pricing plans: ComEd (Hourly Pricing) and Ameren (Power Smart Pricing) – the rate can change by the hour, based on the wholesale electricity market.
- ❖ In 2021, there were 36,627 participants in ComEd's program. The total supply savings (all Hourly Pricing participants' bills combined) was \$150,078. The median annual supply savings was \$106.56 (3.0%) compared to ComEd's default fixed-price rate
- ❖ In 2021, 47.4% of Hourly Pricing participants saved on Rate BESH compared to 83.8% in 2020 and 68.8% in 2019.
- ❖ Despite the unusual experience of higher prices, 88 percent of annual participant survey respondents reported being satisfied with Hourly Pricing.
- ❖ Bill Protection Pilot – of the total 30,000 eligible customers, only 592 enrolled
327 accounts in the Control Group with \$38,091.13 in cumulative savings
173 accounts in the Bill Protection Group with \$20,189.71 in savings



ENERGY EFFICIENCY - TAKE BACK YOUR POWER

Make simple changes at home to reduce energy and water bills. The cheapest kilowatt hour of electricity or therm of gas is the one you don't use.

Check out CUB's Guide to Home Savings:

<https://www.citizensutilityboard.org/wp-content/uploads/2020/05/HomeSavingsGuide.pdf>



ENERGY EFFICIENCY TIPS



Energy Star High Efficiency Appliances



Home Automation



Smart Thermostat



Power Strip



Weatherization



Energy
Efficiency
Program

- **Rebates** on furnaces, boilers, air sealing, duct sealing, insulation:
- **877-886-4239**

Illinois Energy Efficiency Loan Program

- **On-bill financing** for AC, heat pumps, mini-splits, furnaces, etc:
- **877-923-2665**



- **Free** weatherization, furnaces, etc. for income-qualified homeowners:
- **800-571-2332**



Watch out for Bad Supplier Deals

Illinois consumers have **lost more than \$1 billion** from alternative electric suppliers in just the last 5 years.

- * Find out what the alternative supplier is charging and how that compares with the utility's price-to-compare. Is the rate fixed, variable, or introductory? If it's an introductory rate, ask how long will it last, and what the new rate will be.
- * Investigate what the supplier's rates have been over the last year on the ICC's Plugin Illinois website (<https://www.pluginillinois.org>)
- Does the plan charge a monthly fee?
 - A \$10 monthly fee means you pay \$120 a year—without using any power or gas.



Protect Yourself

- * **Stay in contact with your utility.**

- * Consumers who are struggling should contact their utilities to see about energy assistance programs, inquire about payment plans to pay off debt and learn about energy efficiency programs.

- * **Beware of alternative supplier rip-offs.**

- * Alternative electricity suppliers are impacted by the same market conditions that are causing utility prices to increase, so be careful about getting lured into bad deals.
- * If your community has negotiated a power deal with a supplier, it's possible the price is lower than ComEd's supply rate. Find out when the offer expires.

- * **Practice energy efficiency.**

- * Weatherize your windows and doors to keep cool air in and warm air out. Set your thermostat at a safe level: 78 degrees when you're awake and home, and bump it up a few degrees when you're away or asleep. CUBHelpCenter.com has more tips.

Actions to take in a power failure:

Before

Keep Coolers on Hand (preferably with ice)

Check Food Temperatures (to ensure they're cool enough for consumption)

Maintain Access to NOAA Radio Broadcasts

Keep Your Vehicle Gas Tank at Least ½ Full

Keep Extra Containers of Gas on Hand

After

Avoid Downed Power Lines

Throw Out Unsafe Food

Consider purchasing a generator to power critical equipment keep you electronics secure during a blackout.

During

Use Flashlights, Not Candles

Eliminate Unnecessary Travel

Keep Fridge/Freezer Doors Closed as Much as Possible

Turn Off/Unplug All Unnecessary Electrical Equipment

Turn Off/Unplug All Appliances

Leave One Light Turned On (so you know when the power comes back on)